



BILLING CODE 3510-DS-P

**DEPARTMENT OF COMMERCE
Foreign-Trade Zones Board
[B-64-2018]**

**Foreign-Trade Zone (FTZ) 119 – Minneapolis-St. Paul, Minnesota
Notification of Proposed Production Activity
AGCO Corporation
Subzone 119M
(Agricultural Equipment and Related Subassemblies and Components)
Jackson and Round Lake, Minnesota**

AGCO Corporation (AGCO), operator of Subzone 119M, submitted a notification of proposed production activity to the FTZ Board for its facilities in Jackson and Round Lake, Minnesota. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on October 11, 2018.

The AGCO facilities are located within Subzone 119M. The facilities are used for the production of agricultural equipment and related subassemblies and components. Pursuant to 15 CFR 400.14(b), FTZ activity would be limited to the specific foreign-status materials/components and specific finished products described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt AGCO from customs duty payments on the foreign-status materials/components used in export production (estimated 20 percent of production). On its domestic sales, for the foreign-status materials/components noted below, AGCO would be able to choose the duty rates during customs entry procedures that apply to: gasoline engines; gas (natural and LP) engines; diesel engines; liquid pumps; tractor attachments for spraying liquids; tractor attachments for spreading solids; electrical equipment for controlling agricultural

implements; grinding, screening, and sifting equipment; accumulators; steering control units; light switch panels; electronic control units and joy sticks; wiring harnesses; tractors for agricultural use; spraying vehicles for agricultural use; heating system field repair kits; status indicators for engine functions; instrument panels; engine control units; brake field service kits; and, related subassemblies (duty rates range from duty-free to 7.8%). AGCO would be able to avoid duty on foreign-status components which become scrap/waste. Customs duties also could possibly be deferred or reduced on foreign-status production equipment.

The materials/components sourced from abroad include: oil and grease; joint sealant; glue; polyethylene hoses; polypropylene hoses; plastic hoses; non-textile reinforced rubber hoses; textile-reinforced rubber hoses; rubber hose connectors; plastic tape; paper safety, warning, and identification labels; plastic reflectors; polyurethane film; polyethylene bags; plastic insulators for use in vehicle assembly; plastic tool boxes; plastic plugs and caps; plastic trim pieces; plastic o-rings; plastic seals; plastic washers; plastic clamps; plastic bushings; rubber o-rings; rubber seals; rubber washers; non-reinforced rubber hoses; non-textile reinforced rubber hoses; textile-reinforced rubber hoses; rubber hydraulic hoses; metal-reinforced rubber conveyor belts; textile-reinforced conveyor rubber belts; non-textile reinforced rubber transmission belts; textile reinforced rubber transmission belts; rubber mats; rubber gaskets; pneumatic tires of rubber; rubber plugs, pads, grommets, bushings, and sleeves; wooden crates; cork/rubber composite gaskets; paper gaskets; printed manuals and operating guides; gaskets of textile materials; textile sound absorbers; asbestos gaskets; asbestos brake linings; non-asbestos brake linings; carbon fiber

gaskets; mineral gaskets; molded and machined glass; rear-view mirrors; mirror assemblies; glass fiber sound and heat insulators; steel and stainless steel crossmembers; iron pipe fittings and adapters; iron and steel threaded elbows; iron and steel flanges; steel wire and cable; steel chain; steel screws; steel bolts; steel nuts; steel hose plugs and stems; steel washers; steel pins, spacers, spanners and clips; steel springs; keyrings; steel clamps, flanges, pins, hose fittings, and spacers; copper and brass pipe fittings; aluminum dust caps; aluminum gaskets; nut spanners; hammers; locks, lock parts, and lock assemblies for vehicles; key assemblies; metal hinges for vehicles; metal hinge support plates for vehicles; metal brackets; plastic supports; metal weldments; metal stairs and stair rails; metal mounting hardware; metal identification plates; gasoline engines; gas (natural and LP) engines; diesel engines; engine plugs; engine tubes; hydraulic cylinders; pneumatic cylinders; metal hydraulic cylinder fittings; metal pneumatic cylinder fittings; dosing modules; liquid pumps; metal hydraulic pump fittings; metal pneumatic pump fittings; air compressors; turbochargers; fans; metal turbocharger fittings; plastic turbocharger fittings; fan shrouds; metal fan fittings; plastic fan fittings; air conditioning system compressors; air conditioning system condensers; metal air conditioning system fittings; plastic air conditioning system fittings; vehicle heating systems; oil and fuel filters; hydraulic fluid filters; air filters; catalytic converters; compressor filters; metal filtration system fittings; plastic filtration system fittings; fertilizer application equipment; windshield washer systems; metal windshield washer fittings; plastic windshield washer fittings; metal handrails, stairs, steps, and uprights; wheels without tires; tractor implement electronic controls; grinding, screening, and sifting equipment; accumulators; electrical indicators for agricultural tractors and other

off-road vehicles; transmission valves; valve assemblies; steering control units; backflow prevention valves and stoppers; safety valves; relief valves; valve bleeder; bearings; tapered roller bearings; spherical roller bearings; needle bearings; roller bearings; bearing cups; bearing races; power transmission shafts; housed bearings; bearing housings; transmission gears; torque converters; pulleys; clutches; universal joints; gear drives; metal gaskets; mechanical seals; oil and dust seals; electric motors; magnets and electromagnets; lead-acid batteries; spark plugs; distributors; starter motors; alternators; pressure switches; metal electrical system fittings; plastic electrical system fittings; vehicle lighting; horns and buzzers; wiper blades, arms, and assemblies; wiper arms; microphones; speakers; audio amplifiers; video cameras; GPS receivers; radio cassette players; LCD and other flat panel monitors; antennas; light switch panels; resistors; circuit boards; circuit breakers; vehicle fuses; vehicle fuse assemblies; relays; switches; coaxial electrical connectors; electrical terminals; linear electrical connectors; electronic control unit and joy sticks; light bulbs; diodes; electrical sensors; pressure sensors; proximity sensors; transducers; coaxial cables; wiring harnesses; electrical cables; electrical conduit; vehicle frames; operator cabs; tractor body parts; steel frame members; safety belts of fabric; plastic vehicle body panels; metal vehicle body panels; metal vehicle body panel fittings; plastic vehicle body panel fittings; fabric-reinforced cab isolators; headliners incorporating fabric; brake system tubing; metal brake system fittings; transmissions; metal transmission fittings; front and rear axles; metal axle fittings; balancing weights for wheels; impeller wheels; wheel hubs; shock absorbers; metal shock absorber fittings; engine cooling systems; engine radiators; metal engine cooling system fittings; plastic engine cooling system fittings; exhaust systems; mufflers;

exhaust pipes; metal exhaust system fittings; clutch pedals; metal clutch pedal fittings; plastic clutch pedal fittings; steering columns; metal steering system fittings; plastic steering system fittings; transmission subassemblies; brake shoes; axle covers; metal brackets; plastic brackets; frame and body stays; metal flanges; plastic flanges; metal supports; plastic supports; metal knobs; plastic knobs; metal levers; plastic levers; wiper blades; control wire and cable; universal joints; metal guards; plastic guards; cover plates; drive shafts; clutch rod shafts; u-joints; shaft assemblies; collars; differential cases; transmission cases; ball joints; axle cases; drive shaft caps; shaft couplings; steering shafts; shaft yokes; thrust collars; synchronizer rings; dust covers; tie rods; battery retainers; fuel tanks; control pedals; hand rails; radiator grilles; bonnet dampers; steering and suspension linkages; sound suppressors incorporating fabric; wind screens of fabric; sun visors of fabric; unmounted glass lenses for vehicle signals and controls; glass lenses for vehicle signals and controls; wind speed/direction measuring equipment; barometric pressure measuring equipment; temperature sensors; fluid level sensors; status indicators for equipment functions; engine analyzers; instrument panels; speed sensors; engine performance sensors; engine control units; weatherproof molded rubber seats; seats with fabric surfaces; indicator light covers; and, cigarette lighters (duty rates range from duty-free to 10.7%).

The request indicates that textile-reinforced rubber hoses, textile-reinforced rubber conveyor belts, textile-reinforced rubber transmission belts, gaskets of textile materials, textile sound absorbers, safety belts of fabric, fabric-reinforced cab isolators, headliners incorporating fabric, windscreens of fabric, sound suppressors incorporating fabric, sun visors of fabric, and seats with fabric surfaces will be admitted to the zone in

privileged foreign status (19 CFR 146.41), thereby precluding inverted tariff benefits on such items. The request indicates that pneumatic tires of rubber, iron pipe fittings and adapters, steel washers, tapered roller bearings, bearing cups, bearing races, and bearing housings are subject to antidumping/countervailing duty (AD/CVD) investigations/orders if imported from certain countries. The FTZ Board's regulations (15 CFR 400.14(e)) require that merchandise subject to AD/CVD orders, or items which would be otherwise subject to suspension of liquidation under AD/CVD procedures if they entered U.S. customs territory, be admitted to the zone in privileged foreign status (19 CFR 146.41). The request also indicates that steel and stainless steel crossmembers are subject to special duties under Section 232 of the Trade Expansion Act of 1962 (Section 232), and that certain materials/components are subject to special duties under Section 301 of the Trade Act of 1974 (Section 301), depending on the country of origin. The applicable Section 232 and Section 301 decisions require subject merchandise to be admitted to FTZs in privileged foreign status (19 CFR 146.41).

Public comment is invited from interested parties. Submissions shall be addressed to the Board's Executive Secretary at the address below. The closing period for their receipt is **[INSERT DATE 40 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

A copy of the notification will be available for public inspection at the Office of the Executive Secretary, Foreign-Trade Zones Board, Room 21013, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230-0002, and in the "Reading Room" section of the Board's website, which is accessible via www.trade.gov/ftz.

For further information, contact Diane Finver at Diane.Finver@trade.gov or (202) 482-1367.

Dated: October 23, 2018

Andrew McGilvray,
Executive Secretary.

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